



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

FORT LEAVENWORTH UNIFIED SCHOOL
DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Fort Leavenworth Unified School District No. 207 (the District) as of and for the year ended June 30, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* (KMAAG) as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable provisions of the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures, and unencumbered cash (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

Topeka, Kansas
October 15, 2018

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2018

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances
General fund	\$ -	\$ -
Supplemental general	385,545	-
Special purpose:		
Capital outlay	5,660,091	-
Food service	66,263	-
Special education	2,425,053	-
At-risk	310,164	-
Professional development	291,850	-
Kansas parent education	64,000	-
KPERS special retirement contribution	-	-
Federal grant funds (budgeted)	1,282,688	-
Bilingual education	367,469	-
Textbook	928,947	-
Vending machine	1,987	-
Contingency reserve	533,389	-
Colonel Griswold Endowment	500	-
Impact Aid 7003	669,843	-
District activity funds	29,231	-
Total reporting entity (excluding agency funds)	<u>\$ 13,017,020</u>	<u>\$ -</u>

See accompanying notes to financial statement.

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 9,478,307	\$ 9,478,196	\$ 111	\$ 564,469	\$ 564,580
3,487,531	3,450,742	422,334	23,263	445,597
6,945,409	7,501,666	5,103,834	68,996	5,172,830
617,745	617,860	66,148	29,571	95,719
2,497,276	2,719,441	2,202,888	205,638	2,408,526
425,000	299,151	436,013	32,050	468,063
352,737	243,110	401,477	15,810	417,287
48,000	32,000	80,000	-	80,000
1,464,551	1,464,551	-	-	-
1,048,329	1,284,743	1,046,274	127,890	1,174,164
215,000	187,852	394,617	19,479	414,096
100,000	713,001	315,946	142,884	458,830
3,673	4,334	1,326	423	1,749
200,000	56,645	676,744	-	676,744
41,733	693	41,540	-	41,540
612,973	24,491	1,258,325	204	1,258,529
97,378	105,778	20,831	-	20,831
<u>\$ 27,635,642</u>	<u>\$ 28,184,254</u>	<u>\$ 12,468,408</u>	<u>\$ 1,230,677</u>	<u>\$ 13,699,085</u>
Composition of cash:				
Checking account				\$ 1,022,451
Petty cash funds				200
Municipal investment pool				5,757,098
Certificates of deposit				4,267,045
Money market account				2,631,460
Activity funds - checking accounts				24,740
Total cash				13,702,994
Agency funds per Schedule 3				(3,909)
Total reporting entity (excluding agency funds)				<u>\$ 13,699,085</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2018

1 - Municipal Financial Reporting Entity

Fort Leavenworth Unified School District No. 207 (the District) is a municipal corporation governed by a three-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2018:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c) waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund and special purpose funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The District had a budget amendment in the At-Risk fund for the year ended June 30, 2018.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds and the following special purpose funds:

Textbook, District Cafe, Contingency Reserve, Colonel Griswold Endowment, Impact Aid 7003, certain federal and other grant funds and District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Chargeable Leave Benefits

All certified employees accrue chargeable leave at the rate of 13 days per year, accumulating to a maximum of 113 days. Other employees accrue leave based on the position occupied and contract days. Vacation is accumulated at the rate of 10 to 15 days per year depending upon the employee's length of service and classification. Benefits are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments

At June 30, 2018, the District had the following investments and maturities:

Investment Type	Fair Value	Maturity	Rating
Kansas Municipal Investment Pool	\$ 5,757,098	Less than a year	Not rated

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2018, the District's deposits were not exposed to custodial credit risk.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

Custodial Credit Risk-Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2018, the District had invested \$ 5,757,098 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4 - In-Substance Receipt in Transit

The District received \$ 360,150 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

5 - Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$ 92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2018, received as of June 30 was \$ 446,603,946. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$ 6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 1,243,703 for the year ended June 30, 2018.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 16,920,781. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

6 - Tax Sheltered Annuity and Deferred Compensation Plans

The District participates in a 403(b) tax sheltered annuity plan and a 457(b) deferred compensation plan (the Plans). Employees who are at least 18 years of age and work 630 hours or more annually are eligible to participate in the Plans. There are no voluntary contributions or rollover contributions allowed under the Plans. However, participants may elect to defer accumulated vacation pay, retroactive back pay and accumulated sick pay into the Plans. Distributions are made upon retirement.

7 - Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

7 - Other Post Employment Benefits (Continued)

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

8 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2018. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	Capital Outlay	K.S.A. 72-6428	\$ 98,765
General	Special Education	K.S.A. 72-6428	1,378,463
General	Contingency Reserve	K.S.A. 72-6428	200,000
General	Bilingual Education	K.S.A. 72-6428	215,000

9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three proceeding years. There have not been significant reductions in coverage from prior years.

10 - Excess of Expenditures Over Appropriations

Expenditures exceeded the available budget in the Federal grants fund. This was a result of grant reimbursements lagging behind the expenditures for the grants.

SUPPLEMENTARY INFORMATION

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2018

<u>FUNDS</u>	<u>Certified Budget</u>
Governmental type funds:	
General fund	\$ 11,151,502
Supplemental general	4,061,340
Special purpose:	
Capital outlay	9,659,903
Food service	670,338
Special education	2,762,703
At-Risk	378,166
Professional development	331,204
Kansas parent education	32,000
KPERS special retirement contribution	1,496,100
Federal grant funds (budgeted)	1,165,030
Bilingual education	202,659
	<hr/>
Totals	<u>\$ 31,910,945</u>

<u>Adjustment to Comply with Legal Max</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
\$ (1,673,306)	\$ 9,478,196	\$ 9,478,196	\$ -
(610,598)	3,450,742	3,450,742	-
-	9,659,903	7,501,666	(2,158,237)
-	670,338	617,860	(52,478)
-	2,762,703	2,719,441	(43,262)
-	378,166	299,151	(79,015)
-	331,204	243,110	(88,094)
-	32,000	32,000	-
-	1,496,100	1,464,551	(31,549)
-	1,165,030	1,284,743	119,713
-	202,659	187,852	(14,807)
<u>\$ (2,283,904)</u>	<u>\$ 29,627,041</u>	<u>\$ 27,279,312</u>	

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2018

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts:			
General state aid	\$ 6,414,287	\$ 2,840,828	\$ (3,573,459)
Special education state aid	1,587,215	1,378,463	(208,752)
Federal impact aid	3,150,000	5,258,905	2,108,905
Other revenue	-	111	111
	<u>-</u>	<u>111</u>	<u>111</u>
Total cash receipts	<u>\$ 11,151,502</u>	<u>9,478,307</u>	<u>\$ (1,673,195)</u>
Expenditures, encumbrances and transfers:			
Instruction	\$ 4,884,250	4,371,888	\$ (512,362)
Student support services	446,154	432,349	(13,805)
Instructional support services	48,830	35,738	(13,092)
General administration	771,545	612,584	(158,961)
School administration	574,728	582,207	7,479
Other supplemental services	762,930	509,769	(253,161)
Operations and maintenance	1,110,850	1,041,433	(69,417)
Transfers to other funds	2,552,215	1,892,228	(659,987)
Budget adjustment to comply with legal maximum	(1,673,306)		1,673,306
	<u>(1,673,306)</u>	<u></u>	<u>1,673,306</u>
Total expenditures, encumbrances and transfers	<u>\$ 9,478,196</u>	<u>9,478,196</u>	<u>\$ -</u>
Cash receipts over expenditures, encumbrances and transfers		111	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ 111</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance - Over (Under)
Cash receipts:			
Taxes	\$ 562,034	\$ 36,789	\$ (525,245)
Supplemental state aid	<u>3,496,235</u>	<u>3,450,742</u>	<u>(45,493)</u>
Total cash receipts	<u>\$ 4,058,269</u>	<u>3,487,531</u>	<u>\$ (570,738)</u>
Expenditures and encumbrances:			
Instruction	\$ 3,418,840	2,851,149	\$ (567,691)
Student support services	148,000	115,313	(32,687)
Instructional support services	370,186	360,112	(10,074)
General administration	30,000	33,655	3,655
Operations and maintenance	10,000	6,612	(3,388)
Other supplemental services	84,314	83,901	(413)
Budget adjustment to comply with legal maximum	<u>(610,598)</u>	<u></u>	<u>610,598</u>
Total expenditures and encumbrances	<u>\$ 3,450,742</u>	<u>3,450,742</u>	<u>\$ -</u>
Cash receipts over expenditures and encumbrances		36,789	
Unencumbered cash, beginning		<u>385,545</u>	
Unencumbered cash, ending		<u>\$ 422,334</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts:			
Taxes	\$ 10,140	\$ 9,913	\$ (227)
Federal aid	4,700,000	6,688,785	1,988,785
Capital outlay state aid	7,970	8,050	80
Interest	-	128,752	128,752
Other revenue	-	11,144	11,144
Transfers from general fund	-	98,765	98,765
	<u> </u>	<u> </u>	<u> </u>
Total cash receipts	<u>\$ 4,718,110</u>	<u>6,945,409</u>	<u>\$ 2,227,299</u>
Expenditures and encumbrances:			
Student support services	\$ 310,000	82,488	\$ (227,512)
Instructional support services	100,000	17,840	(82,160)
Operations and maintenance	1,174,903	869,691	(305,212)
General administration	100,000	30,874	(69,126)
Food service	-	29,074	29,074
Other support services	525,000	379,784	(145,216)
Architectural and engineering services	250,000	195,675	(54,325)
New building acquisition and construction	7,000,000	5,892,936	(1,107,064)
Site improvement	200,000	3,304	(196,696)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures and encumbrances	<u>\$ 9,659,903</u>	<u>7,501,666</u>	<u>\$ (2,158,237)</u>
Cash receipts under expenditures and encumbrances		(556,257)	
Unencumbered cash, beginning		<u>5,660,091</u>	
Unencumbered cash, ending		<u>\$ 5,103,834</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance - Over (Under)
Cash receipts:			
School lunches:			
Students	\$ 353,239	\$ 404,508	\$ 51,269
Nonreimbursable	100,207	12,117	(88,090)
School breakfast	18,836	20,127	1,291
Federal aid	154,886	151,852	(3,034)
State aid	5,854	6,542	688
Other revenue	-	22,599	22,599
	<u>\$ 633,022</u>	<u>617,745</u>	<u>\$ (15,277)</u>
Expenditures and encumbrances:			
Food service operation	<u>\$ 670,338</u>	<u>617,860</u>	<u>\$ (52,478)</u>
Cash receipts under expenditures and encumbrances		(115)	
Unencumbered cash, beginning		<u>66,263</u>	
Unencumbered cash, ending		<u>\$ 66,148</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance - Over (Under)
	<u>Budget</u>	<u>Actual</u>	<u>(Under)</u>
Cash receipts and transfers:			
Federal aid	\$ 940,000	\$ 1,105,247	\$ 165,247
Transfers from general fund	1,822,215	1,378,463	(443,752)
Medicaid	<u>1,000</u>	<u>13,566</u>	<u>12,566</u>
Total cash receipts and transfers	<u>\$ 2,763,215</u>	<u>2,497,276</u>	<u>\$ (265,939)</u>
Expenditures and encumbrances:			
Instruction	\$ 2,340,305	2,240,674	\$ (99,631)
Instructional support staff	7,000	2,021	(4,979)
Special area administrative services	251,542	268,540	16,998
Other support services	35,788	35,825	37
Transportation	<u>128,068</u>	<u>172,381</u>	<u>44,313</u>
Total expenditures and encumbrances	<u>\$ 2,762,703</u>	<u>2,719,441</u>	<u>\$ (43,262)</u>
Cash receipts and transfers under expenditures and encumbrances		(222,165)	
Unencumbered cash, beginning		<u>2,425,053</u>	
Unencumbered cash, ending		<u>\$ 2,202,888</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

AT-RISK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts:			
Federal aid	<u>\$ -</u>	\$ 425,000	<u>\$ 425,000</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 378,166</u>	<u>299,151</u>	<u>\$ (79,015)</u>
Cash receipts over expenditures and encumbrances		125,849	
Unencumbered cash, beginning		<u>310,164</u>	
Unencumbered cash, ending		<u>\$ 436,013</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts and transfers:			
Other state aid	\$ -	\$ 2,737	\$ 2,737
Transfers from general fund	200,000	-	(200,000)
Federal aid	<u>-</u>	<u>350,000</u>	<u>350,000</u>
Total cash receipts and transfers	<u><u>\$ 200,000</u></u>	<u>352,737</u>	<u><u>\$ 152,737</u></u>
Expenditures and encumbrances:			
Instructional support services	<u><u>\$ 331,204</u></u>	<u>243,110</u>	<u><u>\$ (88,094)</u></u>
Cash receipts and transfers over expenditures and encumbrances		109,627	
Unencumbered cash, beginning		<u>291,850</u>	
Unencumbered cash, ending		<u><u>\$ 401,477</u></u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

KANSAS PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Under</u>
Cash receipts and transfers:			
Transfers from general fund	\$ 30,000	\$ -	\$ (30,000)
Federal aid	<u>-</u>	<u>48,000</u>	<u>48,000</u>
Total cash receipts and transfers	<u>\$ 30,000</u>	48,000	<u>\$ 18,000</u>
Expenditures:			
Student support services	<u>\$ 32,000</u>	<u>32,000</u>	<u>\$ -</u>
Cash receipts and transfers over expenditures		16,000	
Unencumbered cash, beginning		<u>64,000</u>	
Unencumbered cash, ending		<u>\$ 80,000</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance - Over (Under)
Cash receipts:			
KPERS State Aid	\$ 1,496,100	\$ 1,464,551	\$ (31,549)
Expenditures:			
Instruction	\$ 1,106,106	1,031,508	\$ (74,598)
Student support services	43,564	44,145	581
Instructional support services	44,281	57,277	12,996
General administration	46,358	52,305	5,947
School administration	60,632	60,198	(434)
Other support services	52,246	59,758	7,512
Operations and maintenance	73,432	90,777	17,345
Transportation	33,673	34,880	1,207
Food service	35,808	33,703	(2,105)
Total expenditures	<u>\$ 1,496,100</u>	<u>1,464,551</u>	<u>\$ (31,549)</u>
Cash receipts over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FEDERAL GRANT FUNDS (BUDGETED)

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Title II-A Teacher Quality	Title I	Section 8007 Construction	TIP Grant
Cash receipts:				
Federal aid	\$ 37,069	\$ 68,694	\$ 42,921	\$ 10,596
Other	-	-	-	-
Total cash receipts	<u>37,069</u>	<u>68,694</u>	<u>42,921</u>	<u>10,596</u>
Expenditures and encumbrances:				
Instruction	37,069	67,997	-	2,249
Instructional support staff	-	697	-	9,407
Operations and maintenance	-	-	-	-
Architectural services	-	-	33,251	-
Lunches - non-reimbursable	-	-	-	-
Student transportation services	-	-	-	-
Other supplemental services	-	-	-	500
Total expenditures and encumbrances	<u>37,069</u>	<u>68,694</u>	<u>33,251</u>	<u>12,156</u>
Cash receipts over (under) expenditures and encumbrances	-	-	9,670	(1,560)
Unencumbered cash, beginning	<u>-</u>	<u>983</u>	<u>823,166</u>	<u>1,084</u>
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 983</u>	<u>\$ 832,836</u>	<u>\$ (476)</u>

(Continued)

Project PRIME	Project LEADSS	Project READ	NG3D Grant	Other Federal Programs	Total Actual	Total Budget	Variance - Over (Under)
\$ 104,562	\$ 225,093	\$ 90,253	\$ -	\$ 451,169	\$ 1,030,357	\$ 1,314,361	\$ (284,004)
-	-	-	5,000	12,972	17,972	-	17,972
104,562	225,093	90,253	5,000	464,141	1,048,329	\$ 1,314,361	\$ (266,032)
2,261	-	-	3,449	-	113,025	\$ 515,920	\$ (402,895)
358,813	178,016	149,158	-	-	696,091	235,050	461,041
-	-	-	-	131,359	131,359	87,460	43,899
-	-	-	-	-	33,251	-	33,251
-	-	11,854	-	-	11,854	-	11,854
-	-	-	-	292,710	292,710	326,600	(33,890)
-	-	-	-	5,953	6,453	-	6,453
361,074	178,016	161,012	3,449	430,022	1,284,743	\$ 1,165,030	\$ 119,713
(256,512)	47,077	(70,759)	1,551	34,119	(236,414)		
18,615	(75,442)	-	23	514,259	1,282,688		
\$ (237,897)	\$ (28,365)	\$ (70,759)	\$ 1,574	\$ 548,378	\$ 1,046,274		

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance - Over (Under)
Transfers from general fund	<u>\$ 250,000</u>	\$ 215,000	<u>\$ (35,000)</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 202,659</u>	<u>187,852</u>	<u>\$ (14,807)</u>
Transfers over expenditures and encumbrances		27,148	
Unencumbered cash, beginning		<u>367,469</u>	
Unencumbered cash, ending		<u>\$ 394,617</u>	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

TEXTBOOK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Federal aid	\$ 100,000
Expenditures and encumbrances:	
Instruction	293,054
Books and supplies	419,947
Total expenditures and encumbrances	713,001
Cash receipts under expenditures and encumbrances	(613,001)
Unencumbered cash, beginning	928,947
Unencumbered cash, ending	\$ 315,946

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DISTRICT CAFE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Fees	\$ 3,673
Expenditures:	
Vending expenses	<u>4,334</u>
Cash receipts under expenditures	(661)
Unencumbered cash, beginning	<u>1,987</u>
Unencumbered cash, ending	<u><u>\$ 1,326</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Transfer from general fund	\$ 200,000
Expenditures:	
School administration	<u>56,645</u>
Transfers over expenditures	143,355
Unencumbered cash, beginning	<u>533,389</u>
Unencumbered cash, ending	<u><u>\$ 676,744</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

COLONEL GRISWOLD ENDOWMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Contributions	\$ 41,733
Expenditures:	
Instructional support staff	<u>693</u>
Cash receipts over expenditures	41,040
Unencumbered cash, beginning	<u>500</u>
Unencumbered cash, ending	<u><u>\$ 41,540</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

IMPACT AID 7003 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Federal aid	\$ 612,973
Expenditures and encumbrances:	
Instructional support staff	<u>24,491</u>
Cash receipts over expenditures and encumbrances	588,482
Unencumbered cash, beginning	<u>669,843</u>
Unencumbered cash, ending	<u><u>\$ 1,258,325</u></u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2018

	Balance July 1	Cash Receipts	Cash Disbursements	Balance June 30
Patton Junior High:				
Pep club	\$ 483	\$ -	\$ 438	\$ 45
Student council	1,064	3,158	3,131	1,091
Chief's Hearts	710	-	554	156
Art award	208	168	-	376
National junior	135	540	675	-
Student activities	191	9,304	8,821	674
Annual	-	1,485	1,485	-
Yearbook	42	1,525	-	1,567
Freshman Formal	2,965	-	2,965	-
	<u>5,798</u>	<u>-</u>	<u>2,965</u>	<u>-</u>
Total all funds	<u>\$ 5,798</u>	<u>\$ 16,180</u>	<u>\$ 18,069</u>	<u>\$ 3,909</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2018

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Patton Junior High:								
Sales tax	\$ (3)	\$ -	\$ 157	\$ 116	\$ -	\$ 38	\$ -	\$ 38
Impress fund	1,236	-	12,994	14,881	-	(651)	-	(651)
Site-based council	4,206	-	11,397	15,519	-	84	-	84
Book fair	1,697	-	2,718	2,476	-	1,939	-	1,939
Patton G/B BB	-	-	436	-	-	436	-	436
PSAT AP exams	689	-	715	350	-	1,054	-	1,054
Odyssey of the Mind	540	-	4,999	4,262	-	1,277	-	1,277
Subtotal Patton Junior High	8,365	-	33,416	37,604	-	4,177	-	4,177
Bradley Elementary	5,037	-	16,475	17,764	-	3,748	-	3,748
Eisenhower Elementary	6,280	-	19,990	21,823	-	4,447	-	4,447
MacArthur Elementary	9,549	-	27,497	28,587	-	8,459	-	8,459
Total all funds	\$ 29,231	\$ -	\$ 97,378	\$ 105,778	\$ -	\$ 20,831	\$ -	\$ 20,831

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2018

Grant Title	Federal CFDA Number	Program Award	Unencumbered Cash Balance July 1, 2017	Receipts and Transfers	Disbursements, Accounts Payable, Encumbrances and Transfers	Unencumbered Cash Balance June 30, 2018
U.S. Department of Agriculture:						
Passed through Kansas State Department of Education:						
Child Nutrition Cluster:						
National School Breakfast program	10.553	\$ 15,179	\$ -	\$ 15,179	\$ 15,179	\$ -
National School Lunch program	10.555	131,538	-	131,538	131,538	-
Special Milk	10.556	5,135	-	5,135	5,135	-
Total U.S. Department of Agriculture			-	151,852	151,852	-
U.S. Department of Defense:						
Support for Student Achievement at Military Connected Schools (CYBER T.E.A.M.S.) 2015-2020	12.556	1,500,000	18,615	104,562	361,074	(237,897)
Support for Student Achievement at Military Connected Schools (CYBER T.E.A.M.S.) 2016-2021	12.556	1,500,000	(75,442)	225,093	178,015	(28,364)
Support for Student Achievement at Military Connected Schools (CYBER T.E.A.M.S.) 2017-2022	12.556	1,200,000	-	90,253	161,012	(70,759)
National Defense Authorization Act 2015-2016	12.558	348,746	131,357	-	131,357	-
National Defense Authorization Act 2017-2018	12.558	451,169	-	451,169	298,667	152,502
Total U.S. Department of Defense			74,530	871,077	1,130,125	(184,518)
U.S. Department of Education:						
Impact Aid	84.041	14,304,006	5,033,796	14,304,006	15,275,910	4,061,892
Passed through Kansas State Department of Education:						
Title I Grants to Local Education Agencies	84.010	68,694	983	68,694	68,694	983
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	800	-	800	800	-
Special Education Cluster:						
Title VI-B	84.027	302,146	-	302,146	302,146	-
Title VI-B Discretionary 2018	84.027	10,596	1,084	10,596	12,156	(476)
Title VI-B Preschool	84.173	16,573	-	16,573	16,573	-
Title VI-B IDEA	84.027	9,104	-	9,104	9,104	-
Total Special Education Cluster			1,084	338,419	339,979	(476)
Title II-A, Teacher Quality 2018	84.367	35,074	-	35,074	35,074	-
Student Support and Academic Achievement Program	84.424	1,995	-	1,995	1,995	-
Total U.S. Department of Education			5,035,863	14,748,988	15,722,452	4,062,399
Totals			\$ 5,110,393	\$ 15,771,917	\$ 17,004,429	\$ 3,877,881

See accompanying notes to schedule of expenditures of federal awards.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2018

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Fort Leavenworth Unified School District No. 207 (the District) under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2018

I. Summary of Independent Auditor's Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:

Adverse

Type of auditor's report issued on the basis of accounting used by the District:

Unmodified – Regulatory basis

Internal control over financial reporting:

Material weaknesses identified

None

Significant deficiencies identified that are not considered to be material weaknesses

None reported

Noncompliance material to financial statement

None

Federal Awards

Type of auditor's report issued on compliance for major programs

Unmodified

Internal control over major programs:

Material weaknesses identified

None

Significant deficiencies identified that are not considered to be material weaknesses

None reported

Findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)

None

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.041	Impact Aid
Dollar threshold used to distinguish between type A and type B programs	\$ 750,000
Auditee qualified as low-risk auditee	No

II. Financial Statement Findings

No matters reported.

III. Findings and Questioned Costs for Federal Awards

No matters reported.



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Fort Leavenworth Unified School District No. 207:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Fort Leavenworth Unified School District No. 207 (the District), which comprises the summary statement of regulatory receipts, expenditures and unencumbered cash as of June 30, 2018 and the related notes to the financial statement, and have issued our report thereon dated October 15, 2018. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

An Independently Owned Member, RSM US Alliance

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

October 15, 2018
Topeka, Kansas



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on Compliance for Each Major Federal Program

We have audited Fort Leavenworth Unified School District No. 207's (the District's) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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Opinion on the Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

October 15, 2018
Topeka, Kansas